



THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT



Permit No. 1302 /2017

Date 22nd June, 2017

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub-section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

- (a) Name of Investor/Promoter MR. WU, ZONGZUAN
- (b) Citizenship CHINESE
- (c) Address NO.D 2-9, LARGE VEHICLE PARTS MARKET,
DONGJUQIPEICHENG, GUANYU ROAD, KUNMING CITY,
PEOPLE'S REPUBLIC OF CHINA
- (d) Name and Address of Principal Organization
- (e) Place of incorporation
- (f) Type of Investment Business MANUFACTURING, SALES
AND DECORATION OF PVC PLASTIC COATED ROOFING
TILES AND VARIOUS STEEL PRODUCTS
- (g) Place(s) at which investment is permitted HOLDING NO.G /16(KA)
PLOT NO. 783, WEST TAUNG NYO, PADAMYAR WARD,
PADAMYAR INDUSTRIAL ZONE, SAGAING TOWNSHIP,
SAGAING REGION
- (h) Amount of Foreign Capital US\$ 0.95 MILLION
- (i) Period for Foreign Capital brought in WITHIN TWO YEARS
FROM THE DATE OF ISSUANCE OF MIC PERMIT
- (j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF
US\$ 0.95 MILLION
- (k) Construction period ONE YEAR
- (l) Validity of investment permit TEN YEARS
- (m) Form of investment WHOLLY FOREIGN OWNED
- (n) Name of Company incorporated in Myanmar
SAGAING TAINHONG COMPANY LIMITED

74/22.6.17
Chairman

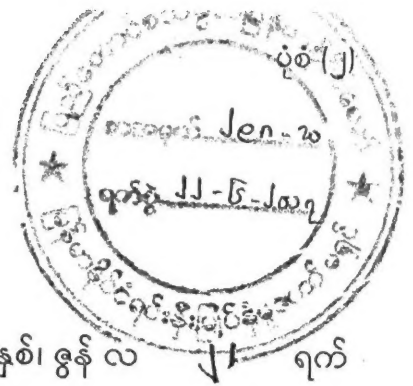
The Myanmar Investment Commission

21/6

2

lin

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်
ခွင့်ပြုမိန့်



ခွင့်ပြုမိန့်အမှတ် ၁၃၀၂/၂၀၁၇

၂၀၁၇ ခုနှစ်၊ ဇွန်လ ၂၁ ရက်

ပြည်ထောင်စုသမ္မတ မြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ-၁၃၊ ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

- (က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူအမည် MR. WU, ZONGZUAN
- (ခ) နိုင်ငံသား CHINESE
- (ဂ) နေရပ်လိပ်စာ NO.D 2-9, LARGE VEHICLE PARTS MARKET, DONGJUQIPEICHENG, GUANYU ROAD, KUNMING CITY, PEOPLE'S REPUBLIC OF CHINA
- (ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့် လိပ်စာ _____
- (င) ဖွဲ့စည်းရာအရပ် _____
- (စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား PVC ဖုံးအုပ်ထားသော ပလပ်စတစ် အမိုးပြားများ၊ စတီးပိုက်ဖြင့် ဒီဇိုင်းစုံအိမ်သုံးပစ္စည်းများ ထုတ်လုပ်၊ ရောင်းချခြင်း နှင့် တပ်ဆင်ပေးသည့် ဝန်ဆောင်မှု လုပ်ငန်း
- (ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) ဦးပိုင်အမှတ်(ဆ/၁၆-က)၊ အကွက်အမှတ်-၇၈၃၊ တောင်ညိုအနောက်၊ ပတ္တမြားရပ်ကွက်၊ ပတ္တမြားစက်မှုဇုန်၊ စစ်ကိုင်းမြို့နယ်၊ စစ်ကိုင်းတိုင်းဒေသကြီး
- (ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၀.၉၅ သန်း
- (ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ခွင့်ပြုမိန့်ရရှိသည့်နေ့မှ (၂) နှစ် အတွင်း
- (ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၀.၉၅ သန်း နှင့် ညီမျှသော မြန်မာကျပ်ငွေ
- (ဋ) တည်ဆောက်မှုကာလ ၁ နှစ်
- (ဌ) ရင်းနှီးမြှုပ်နှံမှုခွင့်ပြုသည့် သက်တမ်း ၁၀ နှစ်
- (ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ရာခိုင်နှုန်းပြည့် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု
- (ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် SAGAING TAINHONG COMPANY LIMITED

(Signature)
၂၀၁၇.၁၁.၁၇

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်



THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
No.1, Thitsar Road, Yankin Township, Yangon

Tel: 095-01-658130

Fax: 095-01-658142

Our ref : MIC-5(O)/FI-027/2017(298-D)

Date : 21st June, 2017

Subject: Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing, sales and decoration of PVC Plastic Coated Roofing Tiles and Various Steel Products" under the name of "Sagaing Tainhong Company Limited."

Reference: Sagaing Tainhong Company Limited's letter dated (20-12-2016)

1. The Myanmar Investment Commission, at its meeting (8 /2017) held on 19-5-2017 had approved the proposal for investment in "Manufacturing, sales and decoration of PVC Plastic Coated Roofing Tiles and Various Steel Products" under the name of "Sagaing Tainhong Company Limited" submitted by Mr. Wu, Zongzuan (50%) and Mr. Liu, Fangyu (50%) from the People's Republic of China as a wholly foreign owned investment.
2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.
3. The permitted duration of the project shall be initial 10 (ten) years and extendable 10 (ten) years in 2 (two) times commencing from the date of the issuance of Myanmar Investment Commission's permit. The term of the Lease Agreement for land and building shall be initial 10 (ten) years from the date of signing of the Lease Agreement between U Ba Kyi Sein (Lessor) and Sagaing Tainhong Company Limited (lessee) and extendable 10 (ten) years in 2 (two) times with the consent of the lessor subject to the approval of Myanmar Investment Commission. On the expiry of the lease period, the lessee shall transfer the leased land and immovable properties

on it to the lessor within 3 (three) months in good condition, ground damages have been refilled and repaired.

4. The annual rent for the land and building area shall be US\$ 8,093.72 (United States Dollar eight thousand and ninety-three and seventy - two cents only) calculated at the rate of US\$ 2.00 per square meter per year of the total land area measuring 4,046.86 square metres (1.00 acre) out of 2.00 acres. The rate of rent shall be revised in view of prevailing land lease rates after every 5 (five) years period and increase of the rent shall not be more than 5 % of the preceding annual rent.

5. In issuing this "Permit", being applied within the time frame of the Notification No.123/2016 (16-11-2016) issued by the Myanmar Investment Commission, the Commission has granted the following exemptions and reliefs as per Chapter XII, section 27(a), (h) and (i) of Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project:-

- (a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial production;
- (b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction of business;
- (c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

6. Sagaing Tainhong Company Limited shall have to sign the Lease Agreement for land and building with U Ba Kyi Sein. After signing the Agreement, (5) copies shall have to be forwarded to the Commission.
7. Sagaing Tainhong Company Limited in consultation with the Department of Company Division, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.
8. Sagaing Tainhong Company Limited shall use its best efforts for timely realization of works stated in the proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.
9. Sagaing Tainhong Company Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.
10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be allowed more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.
11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the investor cannot construct completely in time during the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.
12. The investor or promoter shall apply the commencement date of the commercial operation with Form (11) for their manufacturing business and reported to the Commission in accordance with Foreign Investment Rule 97.
13. Sagaing Tainhong Company Limited shall endeavour to meet the targets for production and service stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of Foreign Investment Law and Sagaing Tainhong Company Limited has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

- (a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;
- (b) the detailed lists of the type and value of foreign capital defined under Chapter I, section 2(i) of Foreign Investment Law, other than foreign currency.

16. Whenever Sagaing Tainhong Company Limited brings in foreign capital defined under Chapter I, section 2(i) of Foreign Investment Law, other than foreign currency in the manner stated in paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Sagaing Tainhong Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for account transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the Union and right to transfer back the equivalent

amount of foreign currency from the foreign currency bank account of a citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Sagaing Tainhong Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Sagaing Tainhong Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Natural Resources and Environmental Conservation in which to conduct an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity. It has to prepare and submitte and perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. After getting permit from Myanmar Investment Commission, Sagaing Tainhong Company Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

21. Sagaing Tainhong Company Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipments and also to appoint fire safety officer.

22. Payment of principal and interest of the loan (if any)as well as payment for import of raw materials and spare parts etc., shall only be made out of local earning of Sagaing Tainhong Company Limited . Moreover

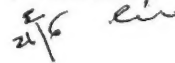
Sagaing Tainhong Company Limited is not allowed selling imported raw material in local.

23. Sagaing Tainhong Company Limited in consultation with Myanma Insurance shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.



(Kyaw Win)

Chairman



Sagaing Tainhong Company Limited

- cc: 1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
 3. Ministry of Natural Resources and Environmental Conservation
 4. Ministry of Labour, Immigration and Population
 5. Ministry of Industry
 6. Ministry of Commerce
 7. Ministry of Planning and Finance
 8. Office of the Sagaing Region Government
 9. Director General, Department of Environmental Conservation
 10. Director General, Directorate of Labour
 11. Director General, Department of Immigration
 12. Director General, Directorate of Industrial Supervision and Inspection
 13. Director General, Department of Trade
 14. Director General, Directorate of Investment and Company Administration
 15. Director General, National Archives Department
 16. Director General, Internal Revenue Department
 17. Director General, Customs Department
 18. Managing Director, No. 1 Heavy Industrial Enterprise